United Nations A/C.2/59/SR.5

General Assembly
Fifty-ninth session
Official Records

Distr.: General
31 January 2005
English
Original: Spanish

Second Committee

Summary record of the 5th meeting
Held at Headquarters, New York, on Tuesday, 5 October 2004, at 3 p.m.

Chairman: Mr. Balarezo ..... (Peru)

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The meeting was called to order at 3.10 p.m.

General debate *(continued)*

1. **Mr. Esipila** (Kenya) endorsed the statements of the Group of 77 and China and the Group of African States. He said that it was necessary to make the work of the Committee more productive, adjusting it in light of the reforms under way in the General Assembly and the Economic and Social Council, and to ensure that the Committee's programme of work included and adequately addressed the economic problems of the world today.

2. In the current global context, poverty, hunger and underdevelopment remained the principal challenges. Poverty was a major impediment to sustainable development, especially in the developing countries, where a large proportion of the world's poor were concentrated, particularly in Africa. Those problems were being compounded by the HIV/AIDS pandemic, which had reversed the socio-economic gains achieved in recent decades. If current trends continued, the countries of sub-Saharan Africa would not be able to attain the Millennium Development Goals by 2015. The high-level meeting of the General Assembly to be held in 2005 should renew the commitment to the goals and take action to ensure their achievement. In that connection, the support being provided by the United Nations and the international community for the New Partnership for Africa's Development (NEPAD) was commendable. NEPAD was playing an important role in the development of Africa. The United Nations, the Group of Eight and other partners should help the African countries to realize the aspirations of NEPAD.

3. The current economic environment had led to the marginalization and underdevelopment in the South as a result of unfair distribution of the benefits of world trade, declining official development assistance, imbalances in flows of foreign direct investment and the external debt burden. In that context, it was necessary to ensure the effectiveness and quality of assistance by improving coordination, predictability, lower administrative costs and adherence to national priorities of developing countries. It was also important to secure real access to the markets of developed countries for the products of developing countries, in particular agricultural products, and it was urgent for the international community to find an effective, comprehensive and durable solution to the debt problem.

4. Finally, the regular budgetary allocations to both the United Nations Environmental Programme and UN-HABITAT remained insufficient, which increased reliance on extrabudgetary resources. The predictability of financing for those programmes should be ensured so that they could better plan their work programmes and discharge their mandates efficiently. Greater advantage should also be taken of the facilities and services available in Nairobi, and the two programmes should adhere to the headquarters rule to ensure full utilization of the administrative and conference facilities at Nairobi.

5. **Mr. Ramadan** (Libyan Arab Jamahiriya) endorsed the statement of the Group of 77 and China and said that it was necessary to meet internationally agreed objectives, in particular those relating to use of global resources, cessation of conflicts, eradication of hunger, illiteracy, malaria and AIDS, drinking water supply, the fight against desertification and the achievement of sustainable development. The obstacles impeding the access of products from developing countries to international markets should also be removed. The developed countries should eliminate the coercive measures that they imposed against developing countries and should adhere to the international resolutions adopted in that regard. International solidarity was the only way to establish a just economic order through collaboration on an equal footing between the North and the South. The international community should focus special attention on the developing countries and take action to enable them to become true partners in that international order. International credit institutions should cancel the debt of poor countries. In addition, the countries that were responsible for the existence of landmines and other such devices should take responsibility for their elimination and for compensation and assistance for those affected.

6. The Libyan Arab Jamahiriya had adopted measures and plans for restructuring its economy and the private sector, such as the elimination of monetary controls and the reduction of import taxes. The country was also drafting a law to privatize public agencies and it had already enacted a law for the promotion of foreign investment. Its future membership in the World

Trade Organization (WTO) would contribute to its economic development and to the diversification of its revenues, as well as to the establishment of good relations of reciprocity with other WTO members.

7. **Archbishop Migliore** (Observer for the Holy See) said that human beings were entitled to a healthy and productive life in harmony with nature, and that sustainable development must always be considered in the context of an authentic human ecology. The linkages between the factors that created sustainable development were evident. It was to be hoped that the Commission on Sustainable Development would further develop those linkages at its next session in May 2005 and that it would re-examine issues such as the protection and use of water resources, provision of sanitation, the improvement of human settlements and public health, the reduction of poverty and achievement of the Millennium Development Goals, among which a complex interconnection existed. The Holy See lent its support to that process and also supported the organization of the World Conference on Disaster Reduction, to be held in Kobe in January 2005.

8. To proceed more quickly towards sustainable development, the broadest participation of stakeholders must be ensured. The essential principles of solidarity and subsidiarity would thus be respected, and stakeholders would feel that the needs of all were being taken into account. In that context, it was important to guarantee accountability on the part of those directing development programmes and projects, so that decisions taken would reflect the concerns of the people those programmes were meant to help. People were not tools but active participants in the determination of their future. They should be left to exercise the creativity that was characteristic of the human person and upon which the wealth of nations depended. Sustainable development should therefore be inclusive, which would be possible only through equitable international cooperation, participation and partnership. It was essential to adopt an integrated strategy that would reinforce the kind of solidarity in which all, not just some, people could exercise joint stewardship. With regard to the International Decade for Action, "Water for Life", the Holy See recognized that water was an essential part of life and of development that was truly human-centred and sustainable. Everyone had a right to sufficient amounts of clean drinking water. Access to water was thus a basic human good and an essential instrument for bringing about that development.

9. **Mr. Ozawa** (Japan) said that peace, good governance and "human security" were prerequisites for economic and social development, which was why Japan had made the consolidation of peace one of the pillars of its foreign policy. That concept of human security focused basically on the protection and empowerment of individuals who suffered from the threats of poverty, infectious disease and conflicts. Japan was committed to making efficient and strategic use of its official development assistance and of the Trust Fund for Human Security established in the framework of the United Nations. In that context, Japan was fulfilling its pledge to provide US$ 5 billion for the reconstruction of Iraq, it had deployed Japanese troops to participate in humanitarian and reconstruction activities, and in late October 2004 it would host a meeting of the International Reconstruction Fund Facility for Iraq. In Afghanistan, Japan was playing a leading role in reconstruction activities, particularly in infrastructure development, rural development and the process of disarmament, demobilization and reintegration. In Africa, the country was strengthening its partnership with the African Union in order to equip it better to play a constructive role in peace-building activities in Africa.

10. Economic growth was the key to poverty reduction. Efforts at poverty reduction should be underpinned by economic growth measures that would enhance the economic and social infrastructure and promote trade and investment. Such measures would also contribute to human security, which in turn would lead to the realization of the Millennium Development Goals by raising people's living standards. An example of that was the countries of East and South-East Asia, which had received US$ 140 billion in official development assistance in the last 25 years, but they had attained a higher level of economic and social development than the countries of sub-Saharan Africa, which had received US$ 210 billion. The Committee should pay more attention to the dynamic relationship between the Millennium Development Goals and the role of economic growth. Japan intended to take various initiatives in that regard, including the introduction of draft resolutions on the Decade of Education for Sustainable Development and on research at the United Nations University, the active involvement of former Prime Minister Ryutaro

Hashimoto in promoting international cooperation in his capacity as Chairman of the Advisory Board on Water and Sanitation, and Japan's hosting of the World Conference on Disaster Reduction in Kobe, from 18 to 22 January 2005.

11. The innovative initiatives promoted by other delegations to accelerate the achievement of the Millennium Development Goals afforded a valuable opportunity to explore feasible measures. Particularly in the case of Africa, the Tokyo International Conference on African Development had provided a framework for the intensive efforts which Japan was mounting on that continent through its broad-based assistance for the consolidation of peace, human-centred development and poverty reduction through economic growth. Japan had already disbursed US$ 300 million of the US$ 1 billion it had pledged to assist in the areas of health, education, water supply and feeding. The Asia-Africa Trade and Investment Conference would be held in Tokyo in November 2004, and Japan, together with the United Nations, UNDP, the World Bank and the Global Coalition for Africa, would endeavour to promote South-South cooperation, especially between Asia and Africa.

12. **Mr. Andjaba** (Namibia) associated himself with the statements made by the Group of 77 and China and the Group of African States. He noted that much had been said about the need to eliminate obstacles and take action to attain the Millennium Development Goals, especially the goals of halving extreme poverty by 2015 and making the phenomenon of globalization positive and inclusive. However, there was every indication that many of the developing countries would not be able to meet that goal by the target date. In preparation for the review of progress towards the Millennium Development Goals in 2005, perhaps it was necessary to ask why the agreed goals were still so far away and to find a way to accelerate the process before it was too late. Among the many initiatives undertaken, Namibia supported the Action against Hunger and Poverty initiative and welcomed the report of the World Commission on the Social Dimension of Globalization. Nevertheless, it was concerned that some had tried to dilute or modify previous commitments and agreements, particularly as the Second Committee had been mandated by resolution A/RES/57/270B to follow up on the implementation of the outcomes of major international conferences and summits.

13. Although they had little latitude with regard to development policies, the developing countries had worked to create an enabling environment for investment, but those efforts had not been matched by similar efforts from their development partners, and, meanwhile, the asymmetry in global economic and financial systems continued to grow. In the face of that situation, the developing countries had to take ownership of their own development programmes and resolve to take external assistance as supplementary to their own national activities. Those ideas were reflected and emphasized in the development framework of NEPAD, which Namibia had long ago embraced, making people the centre of its medium- and long-term programmes for social, economic and infrastructure development, as evidenced by its National Development Plan and "Vision 2030" plan. Namibia welcomed the support of the international community for those and other initiatives and underscored the need, expressed in the Millennium Development Goals and the Monterrey Consensus, to forge a true global partnership to overcome the obstacles that cast a pall over the future of the African continent, the foremost of which remained the HIV/AIDS pandemic.

14. **Mr. Nikitov** (Ukraine) noted the need to foster consensus and understanding on all matters relating to the development agenda, especially economic development, sustainable development and poverty eradication, within the framework for multilateral action established by the Millennium Declaration, the Monterrey Consensus and the Johannesburg Plan of Action. To that end, further resources and better coordination in their allocation were required. An important step in that direction had been the process initiated with the meeting of world leaders on the Action against Hunger and Poverty initiative, led by the President of Brazil. Despite the efforts at economic development and market reform undertaken by countries with economies in transition, many still faced challenges of integration into the world economy and continued to require assistance from the United Nations, its specialized agencies, the regional commissions and international financial institutions. The organizations of the United Nations system had made visible progress in enhancing and rationalizing their operational activities for development. At the same time, much remained to be done to complete the reforms, and it was important that the next triennial policy review of those activities should be

comprehensive, balanced and effective and that it should result in new guidelines for action that would be of benefit to recipient countries.

15. Ukraine believed that it was essential to strengthen international cooperation to prevent, combat and eradicate corruption, money-laundering and illicit transfer of funds, and looked forward to cooperating more closely with other countries and international organizations within the solid legal framework of the United Nations Convention against Corruption. Ukraine had worked actively to improve its national system for combating corruption and money-laundering. The county had enacted comprehensive legislation and the establishment of a special financial monitoring mechanism, in consonance with the international standards and criteria established by the Financial Action Task Force. Ukraine also attached utmost importance to the solution of environmental problems, and it was participating actively in the international cooperation frameworks that existed in that area. Proof of its contribution to addressing the threat of climate change on a global scale was its ratification, in early 2004, of the Kyoto Protocol. Ukraine was also taking part in the "Environment for Europe" process and had organized the fifth Pan-European Ministerial Conference, held in Kiev in 2003, which had led to closer regional cooperation on environmental issues. At the national level, Ukraine was honouring the commitments made in Johannesburg in all its activities and strategies for socio-economic reform.

16. Aware of the need for international support to ensure the success of its own efforts and to enable it to overcome the aftermath of the Chernobyl nuclear accident, Ukraine, like other countries in economic transition, was striving for full integration into the world economy and equal access to the international trade and finance system. It therefore supported, in particular, the eighth Millennium Development Goal, which called for the establishment of a global partnership for development. At the same time, Ukraine was pursuing a policy of regional integration and economic cooperation with the European countries, and it was confident that its sound economic performance would culminate, in 2011, in its full membership in the European Union, which the President of Ukraine had set as a primary strategic objective, although every effort should be made to avoid negative repercussions on neighbouring countries from the expansion of the European Union.

17. Certainly, the multilateral trading system could be improved in order to respond more effectively to the needs of developing countries and countries with economies in transition, whose relations with the developed countries should reflect current realities. For that to happen, the World Trade Organization (WTO) needed to become a truly universal organization, as envisaged in paragraph 30 of the Monterrey Consensus. Ukraine hoped to join the WTO with the full support of member countries and to receive from its main trading partners (the European Union and the United States of America), in recognition of the reforms it had effected in recent years, the treatment befitting a true market economy. Thanks to a prudent demand management strategy, a strong fiscal and monetary policy, greater equilibrium in the balance of trade and services, and an acceleration of the privatization process, Ukraine had experienced rapid economic expansion in the previous four years, with gross domestic product growing at an average rate of 7.2 per cent. Thanks to those results and to the efforts it had expended, Ukraine envisaged a promising future with regard to development and investment opportunities.

18. **Ms. Chenoweth** (Food and Agriculture Organization (FAO) of the United Nations), noting that hunger and poverty affected more than 1 billion people in the world, estimated that achieving the objective of halving the number of people suffering from hunger in the world by 2015 would yield economic benefits amounting to some US$ 120 billion per year. In that regard, there were some encouraging signs: the Declaration on Action against Hunger and Poverty, signed by 113 Members States on 20 September 2004 at United Nations Headquarters in New York; the numerous references by heads of State and Government during the general debate of the General Assembly to agriculture, rural development, hunger, malnutrition, food security and access for agricultural products from developing countries to markets in industrialized countries; and the declaration adopted on 30 September 2004 by the ministers of foreign affairs of the Group of 77, which endorsed the identification and channelling of new sources of financing to developing countries in a stable, transparent and predictable manner, with a view to eradicating poverty and hunger and promoting equitable development. As concerned the HIV/AIDS tragedy, FAO stressed once again that it was not only a

health problem but a fundamental issue of development in general. HIV/AIDS complicated existing labour shortages in agriculture and increased malnutrition, and it exacerbated the problems of rural women, especially those who were heads of household, arising from gender division of labour and land rights and resources, particularly in Africa.

19. The least developed countries and small island developing states remained on the agenda of FAO, which took advantage of the technical knowledge available in the more advanced developing countries, sharing their experience and knowledge in agriculture and rural development with their less developed counterparts. Under the South-South Cooperation Programme, ten countries had contributed about 900 experts to work on projects of the FAO Special Programme on Food Security and 28 agreements had been signed, which would raise that number to 2 800 experts and technicians. As part of the preparatory process for the international meeting to take place in Mauritius in 2005 to review the Barbados Programme of Action, FAO had organized at United Nations Headquarters a panel discussion and a Policy Dialogue on Food Security in the Small Island Developing Countries to which it provided assistance in order to determine the agricultural issues of relevance to those countries. FAO was also assisting the NEPAD secretariat in formulating its Comprehensive Africa Agricultural Development Programme (CAADP), which included elements of FAO's Anti-Hunger Programme and Special Programme for Food Security. A very positive development was the pledge made by the heads of State and Government of the African countries at the African Summit in July 2004 to allocate at least 10 per cent of national budget resources to implementation of NEPAD's CAADP.

20. FAO was participating in the preparations for the International Year of Microcredit and would coordinate its activities closely with other agencies for that event and for the observance of World Food Day 2005, which would focus on rural financing. The International Treaty on Plant Genetic Resources for Food and Agriculture, which would enter into force during 2004, would contribute significantly to food security and sustainable agriculture. In its annual report "The State of Food and Agriculture 2003-2004", FAO had addressed the use of biotechnology in agriculture to meet the needs of the poorest populations and of those who were suffering from hunger in the world. Eliminating hunger was not only a moral imperative, it also made economic sense. Despite the current slow progress, FAO believed that achievement of the objective of halving the number of people who were suffering from hunger by 2015 was not impossible. To that end, it was essential to integrate and coordinate the efforts of all development partners.

21. **Mr. Ivanou** (Belarus) said that, in the light of the inclusion on the Committee's programme of work of new items which before had been debated in plenary session, it was necessary to continue the negotiation process initiated the previous year to rationalize and improve the Committee's programme and methods of work. It was to be hoped that such organizational matters would not negatively affect the discussion of the substantive issues on the agenda.

22. Belarus believed it was essential to set priorities in the policy review of operational activities of the United Nations, so that the resultant resolution would effectively address not only the issue of basic resources of the agencies of the system, but also the need to correct the priorities and parameters of those activities for the next three years, including an examination of the obstacles to achievement of the development goals of the Millennium Declaration and an evaluation of the interaction of United Nations funds and programmes with national governments in the previous three years. Since countries' needs were not uniform, it was necessary to pay due attention to groups of States that were in a special situation. In that context, the integration of countries with economies in transition into the global economy was a high priority. For that to occur, it was imperative to formulate very clear guidelines for the activities of the agencies of the United Nations in the next two years, bearing in mind the economic and political changes that had taken place in Eastern Europe in recent years.

23. **Mr. Effah-Apenteng** (Ghana) endorsed the statement of the Group of 77 and China and emphasized that the Millennium Summit, the World Summit on Sustainable Development held in Johannesburg and the International Conference on Financing for Development held in Monterrey had helped strengthen the consensus on a global development agenda and on a collective global compact of mutual responsibility. However, progress towards the achievement of the Millennium Development Goals had remained uneven and unsatisfactory, especially in Africa. The major

challenge facing the United Nations system was to demonstrate that it could help the developing countries to pursue their national priorities and needs in relation to poverty eradication, economic growth and sustainable development. In the face of that situation, the United Nations Development Group (UNDG) had implemented policies and procedures aimed at enhancing the effectiveness of development assistance at national level, and it was working to assist the countries in attaining the Millennium Development Goals by linking together national processes, such as the Poverty Reduction Strategy Papers and other coordination mechanisms of the United Nations, such as the common country assessment system and the United Nations development assistance framework. However, those institutional measures had been hampered by lack of adequate resources and other systemic constraints.

24. The root of the problem lay in the persistence of a global economic system that worked against the development interests of the developing countries and the commitments assumed at the major summits and conferences. Nevertheless, it seemed to be generally agreed that, as the 21st century dawned, the world had at its disposal the means to make real strides in the fight against poverty and to share the benefits of globalization more equitably. In that regard, two noteworthy events had taken place at United Nations Headquarters on 20 September 2004. One was the meeting of leaders of countries from the North and the South, sponsored by Tanzania and Finland and co-chaired by the World Commission on the Social Dimension of Globalization, aimed at creating a more equitable globalization. Ghana wished to echo the Secretary-General's appeal to the developed countries to summon the political will needed to keep the promises made with regard to trade, financing for development and debt relief and his appeal to the leaders of developing countries to strengthen the rule of law; build democratic political systems; respect human rights; invest in education, health care and infrastructure; and promote social equity in order to take advantage of the benefits of globalization. The second event had been the meeting of world leaders convened at the initiative of the President of Brazil, which had declared that, at the present stage of technological progress and agricultural production worldwide, the persistence of extreme poverty and hunger was economically irrational, politically unacceptable and morally shameful. That represented a sharp criticism of the much-touted consensus on a global development agenda and a collective global compact of mutual responsibility. It was not possible to fight hunger and poverty or to foster development without closing the gap between political commitments and development financing. Current levels of official development assistance were not sufficient to achieve the Millennium Development Goals, which according to United Nations and World Bank estimates would require additional assistance of at least US$ 50 billion a year up to 2015. The pledges by Africa's partners of increased official development assistance to support the implementation of NEPAD were an important step in the right direction, but the quality and effectiveness of the assistance being received by the African countries still needed to be improved.

25. **Mr. Moleko** (Lesotho), after declaring his support for the statements of the Group of 77 and China and of the Group of African States, noted that poverty was the primary impediment to human development and was one of the causes of serious international conflicts, humanitarian crises and HIV/AIDS. Studies had shown that while poverty levels in the countries of East Asia and the Pacific were declining, the situation continued to worsen in the countries of sub-Saharan Africa. The African countries would therefore need special attention if they were to achieve the Millennium Development Goal of halving poverty by 2015. Africa faced enormous development challenges, and those difficulties were being exacerbated by the HIV/AIDS pandemic, which was undoing the economic gains achieved in recent decades and threatening the survival of its people, especially in the countries of southern Africa, including Lesotho. The actions of the United Nations system and the international community had helped raise awareness of the disease and, therefore, to save lives. Nevertheless, the enormity of the problem necessitated the allocation of more resources than were currently available, coupled with broad international collaboration.

26. In Africa, more than 200 million people were threatened by famine and food insecurity. Recognizing the critical role of agriculture for their economies, African leaders had pledged to allocate 10% of their national budgets to boost agricultural production, and rural development and agriculture had been identified as high-priority areas of action within the framework of NEPAD. Lesotho was grateful for the initiatives of the international community, which had aided its efforts to

combat poverty and the many socio-economic problems that plagued the country.

27. **Mr. Alimov** (Tajikistan) said that the resolution of current political problems depended largely on progress in economic and social development and the attainment of the Millennium Development Goals. The eradication of poverty and the achievement of sustainable development would only be possible through the concerted effort of the entire international community, supported by the United Nations. The key to success in that effort was adopting a global approach, finding innovative ways of financing development and putting in place an international financial and trade system geared towards eliminating all environmental threats and population problems and reducing the effects of natural disasters. Tajikistan wished to underscore the importance of the high-level plenary session of the General Assembly to be held in 2005 to assess the progress achieved in the implementation of the Millennium Declaration. It hoped that the session would provide strong political impetus for the achievement of the Millennium Development Goals and the fair distribution of the benefits of globalization. Regrettably, the international community had still not attained the level of solidarity needed to eradicate poverty, and the lowest-income countries had still not been able to free themselves from the burden of debt or enjoy the advantages of present-day civilization.

28. In the wake of civil conflict, Tajikistan continued to face grave socio-economic difficulties. Eighty per cent of the population lived below the poverty line, and lack of access to the sea forced many regions of the country to pay transit fees to market their products and higher prices for imported goods. Forty per cent of the country's revenues went to debt service, which hindered the Government from meeting the most immediate needs of the population. Writing off part of the debt would enable it to invest in other areas such as education, health, environmental protection and rebuilding the public sector, which had been destroyed by the civil conflict and natural disasters. Tajikistan, as a country with an economy in transition, appreciated the initiative launched by the presidents of Brazil, France, Chile and Spain to combat hunger and the poverty and, although the Government recognized that it was, itself, responsible for addressing the urgent need to eradicate poverty, raise the standard of living for the population and create favourable conditions for ensuring long-term sustainable development, it needed the support of the international community to achieve sustainable development for the country in the long term.

29. The Committee was called upon in the current year to review the outcomes of the International Year of Freshwater, observed in 2003 at the initiative of Tajikistan, with very positive results. During the current session, Tajikistan intended to submit a draft resolution on the activities undertaken during the Year and further efforts to ensure sustainable water use. Finally, Tajikistan offered an example of how to overcome an internal conflict and effect a peaceful transition to development. It had accumulated considerable experience which was worthy of consideration, particularly in relation to the strengthening of national reconciliation and the development of national potential. Peace and stability in countries emerging from conflict required not only humanitarian assistance but effective cooperation in addressing their economic problems and supporting the creation of a dynamic and stable economic base.

30. **Ms. Ramiro López** (Philippines) associated herself with the statements of the Group of 77 and China and the Association of South-East Asian Nations (ASEAN) and noted that the well-being of people should be at the core of any development agenda at the global level. The need to protect the lives of people should be highlighted, as should the importance of promoting their dignity and ensuring their livelihood through the creation of employment. Generating employment would help to stimulate the global economy and achieve the Millennium Development Goal of halving poverty and hunger by 2015. Economic security was the main objective of the programme of action for 2004-2010 put forward by the President of the Philippines. The programme aimed to create six million jobs in six years by creating new opportunities for entrepreneurs, tripling the amount of loans to small and medium-sized enterprises and allocating one to two million hectares of land for agricultural production. There was also a need to foster economic security at the regional and international levels, and the General Assembly should look for concrete and innovative tools that would help spur economic growth in developing countries. As a start, the initiatives and commitments made in the framework of the Monterrey Consensus on financing for development and the Johannesburg Plan of Implementation should be carried

out, but even more important was ensuring follow-up on commitments with regard to official development assistance, the debt problem, mobilization of resources for development and levelling the economic playing field.

31. Economic security prospered in a balanced environment that enabled both developing and developed countries to reap the fruits of globalization in terms of better opportunities and more jobs. International trade, investment and development were crucial tools for raising people's standard of living. However, despite the need for an open and transparent trading system, poor countries continued to face barriers to their products. It was therefore important to push for a Doha Round that would truly be a development round and to embrace an approach that focused on the needs and priorities of developing countries. In addition, the developed countries should fulfil their commitment to allocate 0.7% of their gross national product (GNP) for official development assistance, a target which had been met by only five countries in 2003. Such assistance helped countries to help themselves, a social responsibility that was even more pronounced now, in the context of growing globalization.

32. Creative ways of alleviating the debt burden of the developing countries should be sought in order to enable them to channel those resources into other more productive activities. The relevant multilateral bodies should be encouraged to coordinate with financing institutions to devise modalities for swapping debt for poverty alleviation programmes that would not be limited to countries that qualified as Heavily Indebted Poor Countries, which had been one of the recommendations made by the Philippines during the high-level dialogue on financing for development convened as part of the General Assembly in October 2003. Innovative ways of mobilizing resources for development also needed to be found. In that regard, the Philippines supported the Declaration of New York on the Action Against Hunger and Poverty initiative of Brazil, and it urged that greater attention be focused on how microcredit could serve as an instrument for alleviating the conditions of the poorest of the poor, an area in which the Philippines had made great strides. Regional financing institutions should also provide more support for the development of micro, small and medium-sized enterprises. At the same time, ways should be found of mobilizing internal resources, such as remittances from emigrants, which amounted to much more than the total amount of official development assistance and helped alleviate the poverty of family members who remained in the country. Migration, therefore, was obviously also an important issue, and, in that context, the Philippines welcomed both the General Assembly's decision to convene a high-level dialogue on international migration and development in 2006 and Peru's initiative to host a special international conference on the subject in 2005.

33. **Mr. Chimphamba** (Malawi) associated himself with the statement of the Group of 77 and China, and emphasized that globalization posed serious problems for developing countries, which had to be addressed in a comprehensive manner if the Millennium Development Goals were to be attained. Although the economic growth rate in Malawi had risen from 2 per cent in 2002 to 4.5 per cent in 2003, to escape from extreme poverty and meet the Millennium Development Goals the country's GDP would have to increase by 6 per cent every year for 20 years. Democratic elections had been held in Malawi for the third time ever on 19 May 2004. The new Government was continuing to work for sustained economic growth and had introduced a series of public sector reforms aimed at creating stable macro-economic conditions for growth and inspiring confidence among donors that the country would respect international commitments. in the private sector, in order to develop and strengthen businesses; in the agricultural sector, in order to free the country from hunger; and in public administration, in order to professionalize the civil service and improve national capacity.

34. Malawi was a beneficiary of the Heavily Indebted Poor Countries Initiative, and in 2002 it had developed a Poverty Reduction Strategy Paper, which had become part of the national budgeting process and had made it possible to translate the Brussels Programme of Action into concrete measures. The first annual assessment of the strategy had been conducted in 2003, and the findings had been incorporated into the budget for 2003–2004. Successful implementation of the economic programme would require a coordinated approach by all sectors of the economy, together with financial and technical support from development partners. It was therefore essential that the developed countries honour their pledge to allocate 0.7% of their GNP for official development assistance. The

conditions for participating in the Heavily Indebted Poor Countries Initiative should also be made less stringent. Malawi was grateful for the actions taken by some bilateral donors in response to the foreign debt crisis – in particular the Government of Japan, which had written off Malawi's debt of 28 billion yen – and it hoped that other countries would emulate Japan's example. For the least developed countries to prosper in the international trading system, they had to be able to access markets in developed countries without the tariff and non-tariff barriers that were currently being imposed. The international community should help the least developed countries overcome difficulties such as infrastructure, transport and communications deficits and lack of added value and of resources for improving their productive capacity. Malawi welcomed the progress made during the last round of trade negotiations in Geneva and, in particular, the commitment of the European Union to eliminate export subsidies. However, it hoped that a deadline for their elimination would be set and that the developing countries would not be asked to make concessions in exchange. The multidimensional nature of poverty imposed on national governments and the donor community the obligation to work in a concerted manner and on the international community the duty to fulfil the commitments made at the major United Nations conferences.

35. **Mr. Tekle** (Eritrea), after endorsing the statement of the Group of 77 and China, expressed concern that in an overwhelming number of developing countries, in particular the least developed countries, conditions were worsening in the era of globalization, despite the meteoric growth in the production of goods, trade and information technology. As a result, the gap between rich and poor countries was widening. The Millennium Declaration and the Plan of Action adopted by the Movement of Non-Aligned Countries at the Kuala Lumpur Summit of 2002 should guide the establishment of a new economic order. To integrate the economies of the developing and developed countries, partnerships had to be established between them, with the participation of intergovernmental organizations, NGOs and the private sector. Only in that way would it be possible to eradicate poverty, create jobs, redistribute income, accelerate development, promote and protect human rights and social justice, and institutionalize and consolidate good governance.

36. All partnerships between rich and poor countries must be anchored in financing for development. The Monterrey Conference and subsequent meetings had been sources of frustration and deep concern among developing countries, as they had not resulted in either a comprehensive strategy for mobilizing resources or the necessary commitment from the rich countries to provide assistance and reduce or write off the debt of poor countries. While it was true that countries had to take responsibility for their own socio-economic and political development, it was also true that external factors and the international environment were also crucial determinants of policies. Another source of concern for the developing countries were trade barriers, which continued to exist although the developing countries had opened their markets to the rich countries with the expectation that the latter would reciprocate. The rich countries should fulfil the agreements made at the Uruguay Round of multilateral trade negotiations. External debt had been identified as one of the chief obstacles to poverty eradication and economic growth, and official development assistance (ODA) remained essential for economic growth, social progress and environmental protection in the poor countries. However, the rich countries had failed to meet their commitment to increase ODA. Sustainable economic and social development was intrinsically linked to protection of the environment, an issue of great importance for Eritrea, whose ability to achieve food security and eradicate poverty was threatened by desertification, deforestation, soil degradation and loss of biodiversity. The Government of Eritrea had formulated a National Environment Management Plan as a blueprint for the protection of environmental resources and for the promotion of sustainable development.

37. **Mrs. Laohaphan** (Thailand) associated herself with the statement made by ASEAN and noted with concern that unbridled globalization had yielded uneven benefits for countries and populations, increasing the number of least developed countries and bringing them to the threshold of marginalization. To contain and reverse that trend, the developing and developed countries should join forces in pursuing sustained and equitable economic growth that would contribute to the achievement of a high degree of global security and prosperity. Thailand considered it very important to establish partnerships for global development and had therefore launched a strategy for economic cooperation with its South-East Asia

neighbours to enhance competitiveness through human resource development, capacity-building programmes and trade facilitation. It would also contribute to the voluntary trust fund established to enable small island developing states to participate in the international meeting to review implementation of the Barbados Programme of Action, to be held in Mauritius in January 2005. Thailand believed that it was essential to identify and implement new and innovative approaches to development. To that end, it planned to host, in the framework of NEPAD and in close collaboration with the African countries, a ministerial conference on alternative development and economic sufficiency in order to exchange experiences that might serve to eradicate poverty and hunger and raise standards of living for the people of both continents.

38. In a world of globalization and growing interdependence, national development policies had to be complemented by an enabling international environment, which implied the existence of a rule-based multilateral trading system with more emphasis on development. The benefits of trade negotiations should extend equitably to the grass roots and to productive sectors, and multilateral rules should be more closely aligned with the development interests of the developing countries. Financial stability was also necessary for development. Reform of the international financial architecture and of the governance structure of national and international financial institutions should be sought in order to enable the developing countries to participate in decision-making and improve their capacity to deal with their financial problems. Reform of the United Nations should also be pursued with due attention to development issues, which were an important factor in the prevention of conflicts. The roles of the General Assembly and other mechanisms and organs, such as the Economic and Social Council, should be reviewed with an eye to addressing threats and challenges in a more unified and coherent manner. Thailand was committed to participating in the process, as demonstrated by its candidacy to the Economic and Social Council, and it believed that close coordination among the key bodies of the United Nations, and between those bodies and other major international institutions, would improve the use of resources and the international response to problems.

39. **Mr. Subedi** (Nepal) supported the statement of the Group of 77 and China and affirmed that the gap between the developed and developing countries was widening. The developing countries faced countless difficulties, notably hunger, illiteracy, unemployment and disease. Multilateral action and cooperation were essential to achieving the Millennium Development Goals, and development partners had to fulfil their commitments with regard both to achievement of the development objectives agreed in the Monterrey Consensus and to official development assistance. Nepal, like many other developing countries, was struggling to contend with the challenges and changes associated with globalization and to take advantage of the opportunities. It therefore favoured a common strategy that would enable all countries and communities, regardless of their size and wealth, to benefit from the process. South-South cooperation could be a pillar of development for the countries of the Third World and a complementary mechanism to North-South cooperation, which also needed to be strengthened and revitalized.

40. The 11th session of the United Nations Conference on Trade and Development had helped to restart international trade talks on the achievement of the Millennium Development Goals. After the failure of the Cancún Conference, a genuine process of negotiation on trade liberalization was needed. The least developed countries had been left out of the global economy; they contributed scarcely 1 per cent of world trade and received less than 1 per cent of total foreign direct investment, and their production and export base was also limited. A common strategy was therefore urgently needed to improve access to markets in developed countries for products from developing countries, especially the least developed countries. The socio-economic development of the least developed countries was limited by lack of resources. Nepal remained committed to mobilizing the resources needed to implement the Brussels Programme of Action and urged development partners to contribute generously to that end. The country was also committed to the effective implementation of the Millennium Development Goals, which were critical guidelines for its development efforts, including the activities under way to reduce poverty and promote socio-economic development.

41. **Mrs. Núñez de Odreman** (Bolivarian Republic of Venezuela) associated herself with the statements of the Group of 77 and China and the Rio Group. She said that multilateralism was a central tenet of her country's

foreign policy. Venezuela rejected the unilateral measures of powerful countries and international organizations which served the economic and political interests of a few to the detriment of the interests of millions of people who were excluded and mired in poverty because of an unsustainable global economic model. Those measures violated fundamental principles of international law and the Charter of the United Nations. The application of the neoliberal model prescribed by international financial institutions during the 1980s had had dire consequences for the developing countries, where poverty had reached unprecedented levels, while at the same time the major economic powers had enjoyed unfettered growth of their wealth.

42. Since 1999, the Government of Venezuela had been pursing a foreign policy based on respect for human dignity as an essential principle of development, and in that framework it had implemented a policy of socio-economic development with the active participation of the entire population, complemented by international support and cooperation, as a means of addressing the social inequalities and high levels of poverty that characterized developing countries. The Bolivarian Republic of Venezuela reiterated its support for all mechanisms aimed at promoting multilateral negotiations that would lead to the design of an international trade and financial system that was open, fair and non-discriminatory.

43. **Mr. Husain** (Observer for the Organization of the Islamic Conference (OIC)) said that many of the issues on the revised programme of work of the Second Committee were of concern for the OIC Member States. As had already been noted, the slow growth of the global economy thus far in 2004 had darkened prospects for most developing countries and distanced them even further from attainment of the Millennium Development Goals. The urgent need for solutions could never be emphasized enough. The OIC endorsed the World Bank's suggestion to apply broad-based, centralized strategies for reducing poverty. It was also necessary to encourage higher and technological education and promote the development of infrastructure and of the tourism, transport and communications sectors, which contributed, directly or indirectly, to the solution of problems associated with poverty, as they opened up opportunities for the creation of jobs and small businesses, expanded market access for agricultural products and narrowed the gap between rich and poor.

44. Three years after the tragic events of 11 September 2001, it was important and prudent to make concerted efforts to determine and address the root causes of the world's social and economic ills, including underdevelopment, foreign occupations, debilitating conditions and inequitable trade models. Like the Sixth Committee, the Second Committee should also focus on the root causes of terrorism, which were inherent in current socio-economic conditions, in which people, trapped in environments of utter despair and discontent, were led to take desperate measures. Resolute national and international action was needed to identify, contain and eliminate those causes.

45. **Mr. Olaniyan** (Observer for the African Union) endorsed the statements of the Group of 77 and China and the Group of African States and said that eradicating poverty ranked at the top of the development agenda in Africa. The Extraordinary Summit of Heads of State and Government of the African Union, held in Ouagadougou in September 2004, had noted that poverty was pervasive in Africa and that prospects for the future were bleak, owing to high unemployment rates, which were frustrating hopes for achieving the Millennium Development Goals. At the regional level, the heads of state had adopted the Declaration on Employment and Poverty Alleviation in Africa and the Plan of Action for Promotion of Employment and Poverty Alleviation, which focused, inter alia, on job creation; capacity and institution-building; formulation of programmes based on the agricultural and informal sectors and on cultural industries; promotion of access to microcredit for small and medium-sized enterprises and microenterprises, especially those run by women, and revision of investment codes and regulations; promotion of access to basic social services and improvement of social security systems and safety nets; promotion of integrated intersectoral policies and programmes to create jobs and reduce poverty; participation by development partners and the private sector in those programmes and establishment of mechanisms for the development of a dynamic private sector; investment and execution of labour-intensive infrastructure projects. That Plan of Action, together with the NEPAD programme, were evidence of the political will of African leaders to eradicate the pandemic of poverty.

46. However, Africa needed the support and political commitment of the international community, which must be translated into concrete action. The increase in official development assistance by some donors was commendable, but more countries had to follow suit. Foreign direct investment in the now open African economies should also be increased, and innovative approaches to development financing should be found. In that connection, Brazil, France, Spain and Chile deserved praise for the Action Against Hunger and Poverty initiative. The African Union trusted that, in approaching those problems, the Committee would bear in mind some of the innovative financing mechanisms proposed in the report of the technical group. The problem of poverty could not be separated from the issue of foreign debt. Debt service was consuming resources that could be used for social services, education, industrial development and infrastructure. The Heavily Indebted Poor Countries Initiative had not been effective in improving the debt situation in Africa, owing to the onerous conditions imposed. It was time for the international community to consider other debt reduction strategies that would provide meaningful relief for the African countries.

47. The heads of State of the African Union supported the report of the World Commission on the Social Dimension of Globalization. Africa could ultimately benefit from globalization, with the expansion of information technologies, access to science and technology, and utilization of its supply of skilled labour, which continually sought better opportunities in the developed world. However, it was important for the developed countries to foster greater integration of Africa into the global market, facilitating market access for African products and new capital flows to productive sectors in the African countries and eliminating the tariff and non-tariff barriers on African products. Finally, industrialization should be promoted as a means of alleviating poverty. In that context, in July 2004 the Executive Council of the African Union had approved the African Productive Capacity Initiative and the African Productive Capacity Facility as a programme of industrial development within the framework of NEPAD. It was to be hoped that in its consideration of issues relating to cooperation and industrial development, the Second Committee would consider the role of the United Nations Industrial Development Organization in promoting the aforementioned initiative.

The meeting rose at 5.40 p.m.